



## ANCILLARY DOCUMENT REVIEW SUPPLEMENT

(This form must be filled out electronically.)

**This form is to be used when reviewing interpretive and/or policy statement(s) in conjunction with the review of a rule.**

Interpretive and/or policy statements are issued by the Department of Revenue under authority of RCW 34.05.230. These statements explain the Department's policy regarding how tax law applies to a specific issue or specific set of facts. These statements include documents such as Excise Tax Advisories (ETAs), Property Tax Advisories and Bulletins (PTAs/PTBs), and Interim Audit Guidelines (IAGs).

Reviewer: Mark Mullin Date Reviewed: April 15, 2003

Interpretive or policy statement(s) being reviewed (provide number and title): ETA 484.04.171 (Corporation and stockholder distinct entities for business and occupation tax purposes)

Date issued: July 1, 1974

This document is being reviewed in conjunction with (provide WAC number and title): WAC 458-20-171 (Building, repairing or improving streets, roads, etc., which are owned by a municipal corporation or political subdivision of the state or by the United States and which are used primarily for foot or vehicular traffic.)

Purpose of the document: This document explains the tax consequences where a sole proprietorship entered into a public road construction contract. The sole proprietorship was subsequently incorporated, with the sole proprietor as the majority stockholder. The corporation performed the actual work, and the sole proprietorship remained liable under the contract.

Is the document clearly written? 

Yes	No
X	

Does the document provide accurate and useful information? 

Yes	No
X	



Does the document provide information not currently in a rule, other interpretive or policy statement, or WTD?

Yes

☒

No

☐

Review recommendation:

A. Update

B. Cancel

C. Leave as is

D. Incorporate into rule and cancel

<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>
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Briefly explain your recommendation:

The previous review of this ETA indicates that this document relates to WAC 458-20-203 (Rule 203) and should be left as is. The previous review implies that if the ETA is to be incorporated into a rule, Rule 203 would be the appropriate rule. This reviewer believes that the information provided in ETA 484 would make a good example in WAC 458-20-171 (Rule 171) and, therefore, recommends that the ETA be incorporated into Rule 171 and then canceled.

Manager Action: AL Accepted recommendation

Date: 4/28/03

Comments: \_\_\_\_\_